

## FIRST UNION RAIL

One O'Hare Centre  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Tel 847.318.7575  
Fax 847.318.7588

RECORDATION NO. 22951-A FILED

MAY 17 '04 2-19 PM

SURFACE TRANSPORTATION BOARD

VIA UPS 2<sup>nd</sup> DAY AIR

May 13, 2004



Mr. Vernon E. Williams  
Surface Transportation Board  
1925 K Street, N.W., Room 704  
Washington, DC 20423-0001  
Attn: Recordation of Railroad Equipment

**Re: Memorandum of Lease Agreement**

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Lease Agreement, dated March 12, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 22951.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Union Pacific Railroad  
1416 Dodge Street  
Omaha, NE 68179

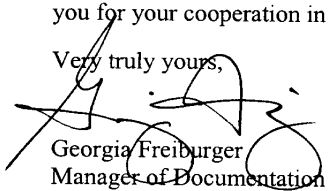
A description of the railroad equipment covered by the enclosed document is fifty-five (55) SD40-2 and SD40T-2 Locomotives. (see Exhibit A for locomotive numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5387. Thank you for your cooperation in this matter.

Very truly yours,

  
Georgia Freiburger  
Manager of Documentation

Enclosures

(UP111)

RECORDATION NO. 22951-A FILED

ASSGN. NO.: UP111

MAY 17 '04 2-19 PM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 12<sup>th</sup> day of March, 2004, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Union Pacific Railroad Company ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Locomotive Master Operating Lease Agreement dated as of December 6, 1996 (the "Lease") between Lessor and Lessee, whereby Lessor has agreed to lease to Lessee certain locomotives pursuant to Supplement No. 11 to the Lease (the "Supplement"), as described in more particular on Exhibit A attached hereto, effective as of December 1, 2003, and subject to the terms, conditions and provisions of the above-mentioned Lease and Supplement.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR  
Vice President Sales & Marketing

Title: \_\_\_\_\_

By: Georgia Freiburger  
Name: GEORGIA FREIBURGER

Title: MGR. OF DOCUMENTATION Executed on this 12<sup>th</sup> day of March, 2004.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 12<sup>th</sup> day of March, 2004.

Susan Grokulska  
Notary Public

My Commission Expires:

8-14-2004

(Notary Public)



LESSEE:

UNION PACIFIC RAILROAD COMPANY

By: Karen A. Watson

Name: Karen A. Watson

Title: General Director-Mechanical Purchasing

ATTEST:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[CORPORATE SEAL]

STATE OF Nebraska

COUNTY OF Douglas

I, Beverly A. Meeks, a Notary Public of the County and State aforesaid, certify that Karen A. Watson personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

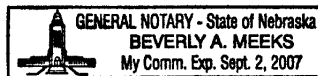
WITNESS my hand and official stamp or seal, this 1<sup>st</sup> day of March, 2004.

Beverly A. Meeks  
Notary Public

Commission Expires:

9-2-07

(Notary Public)



**EXHIBIT A to  
MEMORANDUM OF LEASE**

Fifteen (15) SD40-2 and Forty (40) SD40T-2 Locomotives bearing the following road numbers:

<b>UNIT INIT.</b>	<b>ROAD NO.</b>	<b>UNIT INIT.</b>	<b>ROAD NO.</b>
FURX	3051	UP	2826
FURX	7218	UP	2827
FURX	7220	UP	2828
FURX	7924	UP	2829
FURX	7926	UP	2830
FURX	7929	UP	2831
FURX	7940	UP	2832
FURX	8093	UP	2833
FURX	8105	UP	2834
FURX	8114	UP	2835
FURX	8119	UP	2836
FURX	8120	UP	2837
FURX	8121	UP	2838
FURX	8122	UP	2839
FURX	8136	UP	2840
FURX	8120	UP	2841
FURX	8121	UP	2842
FURX	8122	UP	2843
FURX	8136	UP	2844
COUNT: 15		UP	2845
		UP	2846
		UP	2847
		UP	2848
		UP	2849
		UP	2850
		UP	2851
		UP	2852
		UP	2853
		UP	2854
		UP	2855
		UP	2856
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		UP	2858
		UP	2859
		UP	2860
		UP	2861
		UP	2862
		UP	2863
		UP	2864
		UP	2865
		COUNT: 40	